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The *New* Citrus Era

Howey IN THE Hills

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W. J. Howey Company

Howey-in-the-Hills, Florida

W. J. Harvey

Foreword

The *New* Citrus Era

FROM the seedbed to the consumer! That is W. J. Howey's solution of a problem which has vexed citrus experts for years.

Control of raw materials and scientific merchandising have shown the way to larger profits in the nation's greatest industries. With a citrus empire of 60,000 acres in the heart of Florida's most productive area, with ample capital and more than twenty years of outstanding success in Florida citrus culture and development, Mr. Howey has been in a singularly advantageous position to apply this simple business principle successfully to his extensive agricultural operations.

Here at Howey-in-the-Hills is one of the most scientific and business-like agricultural enterprises in America. It is the largest single citrus unit in the world. It is the only complete citrus development yet conceived. Half a million orange and grapefruit trees are growing. Three million trees, with a potential annual revenue of $30,000,000 when fully matured, is the ultimate objective. Quality fruit, properly packaged and merchandised; hitherto undreamed-of profits in the by-products! All this makes possible a guarantee on Howey groves that virtually precludes the loss of a penny of principal or interest, a guarantee which has back of it land valuations founded solely on productive capacity.

Many individual grove owners in the Howey tract are sharing in the Howey citrus success—in the application of intensive methods to an extensive project. Your opportunity to share it depends on your desire to improve your present economic status. This booklet tells you how it can be done.

"While citrus men all over the state have been grappling with the problem of profitably marketing our citrus crop, W. J. Howey comes through with the solution."
—Lake County Citizen.

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A Statement by Mr. Howey

Someone has defined the "farm problem" as a tract of land entirely surrounded by trouble. I do not believe it is quite as bad as that. The farmer's chief difficulty lies in the fact that he is forced to pay what the other fellow asks for everything he buys, and take what the other fellow offers for everything he sells.

Cooperative buying of equipment and supplies and cooperative selling of the products of our farms is the ultimate and ideal solution. But I maintain that the cultivation of the land, the production of crops and the marketing of those crops is a business. I believe that the production and sale of citrus fruits is susceptible to the application of the same business principles as those which govern the manufacture and sale of any other commodity.

Our agricultural production problems are not particularly momentus. We can produce quality merchandise economically, if we follow accepted practice and scientific formulae. It is in the distribution and sale of farm products that we fail to utilize fundamental business procedure. Cooperative marketing, through the regular channels of distribution, is an accomplished fact as it relates to certain products and certain sections. The citrus industry of Florida, as a whole, is well on its way toward success in this endeavor, but there are many knotty obstacles still to be overcome. Some persons raise oranges but do not sell them; others sell them but do not raise them; some persons grow trees but not fruit. Everyone engaged in the industry does a part *of the operation, but no one completes the cycle.*

All of these operations are closely related and should be brought under one organization. That is precisely what we are doing here at Howey-in-the-Hills. We produce our own nursery stock, carefully select the budwood, transplant the tree from the nursery to the grove and properly nourish and cultivate the young trees, so as to produce the best quality fruit known to science. Then through the packing house we cull heavily, packing only the choicest fruit. The off-grade fruit is made up into by-products. Both the juice and the fresh fruit are sold by our own organization and much of it directly to the consumer. In this way we are practically en-

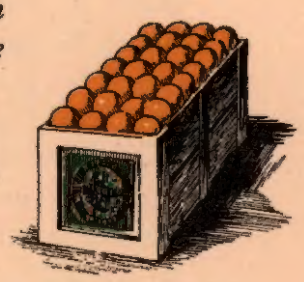
"Mr. Howey has accomplished something more stupenduous than any other man has ever dreamed of in this line of development."
—*Leesburg Commercial*

abled to set the price at the source, the same as with any other manufactured article. And the grower gets his rightful share of the consumer's dollar—which is "farm relief" in fact as well as theory. Preferred markets at preferred prices for quality products —that is the goal at Howey-in-the-Hills, and after nearly a quarter of a century of effort along these lines I am beginning to see the achievement of results I set out to attain.

I will be glad to give your purchase of a Howey grove my personal attention. I have sold many millions of dollars worth of groveland in Florida to persons throughout the United States. We have been directly responsible for bringing to this state something in the neighborhood of twenty-five thousand persons, many of whom now live here permanently. Most of the remaining number expect to move here as soon as their groves are developed to the point of sustaining them. We have an invested capital in this development, represented by these purchases, of close to $20,000,000. This is a fixed and permanent investment that will remain here for all time. And when we reach the maturity of the development our returns will approximate $30,000,000 annually.

I believe that we have successfully worked out the complete cycle of production and marketing that leads to permanence, stability, security and profit. I extend a cordial invitation to you to come to Howey-in-the-Hills and see the unfolding of this new citrus era, and learn from first hand observation and our horticultural specialists how we capitalize on all the physical advantages and never failing promise of nature.

W J Howey



REFERENCE: R. G. Dun & Co.
Bradstreet's.
Bank of Tavares, Tavares, Florida.
First National Bank, Leesburg, Florida.
Any banker in Florida.

"Possibilities for a great foreign market are indicated by the experimental shipment of Florida oranges and grapefruit to England by W. J. Howey."
—*Manufacturers Record*

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Achievement

SUCCESS is a habit with W. J. Howey. The secret of his success lies in his enthusiasm, his integrity, his vision, his energy and his unbounded faith in the hill country of Florida. To those inherent qualities he has added, through intensive study and practical experience, a thorough knowledge of soils, cultural methods and merchandising principles. He has put administrative organization back of the enormous task of transforming virgin forests into orderly citrus groves with their bounteous yields of golden fruit. He has taken the toil, most of the hazards and all of the guesswork out of pioneering and with modern machinery and factory efficiency has placed it on a large-scale, volume production basis, where individual benefits are not dependent on individual effort.

In brief, he has set up an assurance of financial independence in "the fairest land in all the world" — a sort of life insurance whose premiums build up an estate while the insured is able to enjoy it and profit by it, in addition to the establishment of income producing property for succeeding generations.

Mr. Howey's present position as the foremost citrus developer in Florida is not the result of chance or luck. It is the result of years of patient concentration on a single dominant idea. When he first came to Florida more than twenty-five years ago there was not much of a citrus industry here. But he discovered that down in Polk County other men of vision had introduced budded stock and had found out that the hill sections produced superior fruit. Breaking his way through the trackless timber, uninhabited except for a few isolated lumber and turpentine camps, he started his first citrus development at Winter Haven.

Today there stands on that spot a thriving and beautiful city of ten thousand people supported largely by the great crops of fruit which annually come from the splendid groves surrounding it. Winter Haven is indeed an eloquent and lasting monument to the Howey way of doing things!

"Howey-in-the-Hills is a real credit to the state of Florida, and W. J. Howey is a man of sterling character. Both deserve the success they have achieved."

—Florida Farm and Grove.

His second big project was at Lake Hamilton in 1910, started with a colony of tents on scrub oak land. Today it is a modern town, nestled in the center of money-making groves that give it sustenance. In 1912 he put on his third development at Dundee, and in 1914 his fourth at Starr Lake—both successful, as usual.

A habit of success — yes! Mr. Howey was here many years before the boom. He went through the boom, unperturbed by the flashes of speculative profits and inflated values. He is here after the boom, striding steadfastly toward his goal—the building of an empire of sound and substantial values—the creation of a complete producing and marketing entity.

The Location

HOWEY-IN-THE-HILLS has been found to be an ideal location for the growing of quality citrus fruits.

Paradoxical as it may seem, the cooler the maturing weather, the better the fruit and yet frost is the greatest enemy of the grove owner. Cool weather is essential to properly color, flavor and sweeten the fruit. But weather below freezing is ruinous.

Howey groves are located to the south of approximately one hundred square miles of beautiful fresh-water lakes that act as a blanket against frost. These expanses of water serve the same purpose to the grove as a radiator does to a room. Cold air currents invariably approach the Howey tract from the north, and the frost is extracted before it reaches the trees. Just a simple example of the law of elementary physics.

"Howey has standardized the citrus industry from the selection of the seed to the marketing of the crop, and offers an investment under conditions which preclude the possibility of failure."

—Sarasota Herald.

What little cold air does get through is drained off into the hollows and lowlands. And the fruit on the hillsides is thus doubly protected from condensation and frost, for Howey-in-the-Hills is exactly what its name implies—an area of hills and valleys—hills that are productive and valleys that are safeguards. The elevation of the tract includes what is conceded to be the highest point in Florida.

Howey-in-the-Hills lies immediately south of and borders Big Lake Harris, which stretches across its entire northern boundary. Beyond it lies Lake Griffin, and to the northeast Lake Eustis, Lake Yale, Lake Dora and Lake Beauclair, with Little Lake Harris, and Lake Apopka bordering its eastern boundary—a complete network that protects its groves from chilly northern blasts.

It is as picturesque a spot as there is in the whole outdoors, and materially as perfect for citrus culture as benign Mother Nature could devise.

Soil and Culture

HOWEY groves, in addition to their strategic geographical location, are most admirably situated from the standpoint of soil values.

Florida has grown orange and grapefruit trees for a great many years. But up to about thirty years ago the groves were raised directly from seeds. They were planted mainly in the lowlands of northern Florida and along the coast by cattlemen who sought these low places because of the fresh grass available for their herds. Due to degeneration of the fruit trees, stock and the variable water table, they were subject to root rot and other diseases, and produced indifferent crops of nondescript fruit—crops of little or no commercial value.

At about that time Dr. Inman, who made horticulture a hobby, started an intensive

"No man in Florida enjoys greater confidence than W. J. Howey, and no man in Florida knows more about citrus."—Florida Grower.

study of citrus culture in Florida. Finding nothing but seedling groves which required constant replacement, he imported the first budded stock to be set out in the state. And contrary to the emphatic opinion of local growers, he turned away from the cold, wet lowlands to the hills of Florida, setting out his budded stock on the highlands of Polk County.

That part of Florida's ridge section which includes Howey-in-the-Hills is underlaid with a clay subsoil, which keeps the moisture content of the topsoil practically constant. It stores up the season's average of fifty-five inches of rainfall and makes it available to the trees both at the budding and ripening season. The long tap root goes down to the subsoil and draws on it for whatever moisture the tree may need. At the same time capillary action, induced by the porous texture of the sandy loam at the surface, attracts sufficient moisture to the lateral roots to release plant foods supplied through fertilization. The trees respond as nature intended they should with a healthy growth that makes them both disease resistent and prolific.

Thus we have at Howey-in-the-Hills natural protection from frost and soil conditions which approach perfection, for virtually the entire tract of 60,000 acres has a clay subsoil, varying depth from six to eight feet. The topsoil is a red sandy loam, containing oxide of iron, another essential to successful citrus production.

In his first citrus operations Mr. Howey adopted Dr. Inman's proven theories and repeated his success. Rough lemon seed is used to produce the root system. When the seedling is from eighteen to twenty-four months old, a bud is taken from an orange or grapefruit tree of known quality and productiveness and grafted to the lemon sprout. A pedigreed budded tree is the result. With a three year old root system and a year's development of the bud, the tree is transplanted to its permanent grove location and in the fourth year thereafter bears some fruit and in the sixth year comes into commercial production

Ideal natural soil and climatic conditions—plus scientific selection of the seed, scientific propagation and cultivation, scientific feeding of both the young and mature trees—that is the road to a maximum yield of quality citrus fruit.

"Can Florida do otherwise than go forward with such men as W. J. Howey as its leaders? It cannot."
—Groveland Graphic.

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Scientific Selection

THERE is an immutable law of nature that "like begets like." You cannot gather grapes from thorns nor figs from thistles. You cannot mate scrub livestock and produce anything but scrub progeny. In every form of plant and animal life, heredity is a fundamental and powerful force that cannot be evaded. Good breeding finds its expression in pedigrees, and a pedigree is merely the record of parentage through numberless generations. It reflects in the individual the good qualities of the family, intensified through intelligent selection and mating. And it is a basic and fortunate fact that in the breeding-up process, the good qualities in an individual are transmitted to its offspring just as precisely and faithfully as are scrub proclivities in nondescript stock.

The citrus industry of Florida is founded on improper breeding methods. It springs from the original plantings of seedling groves, and an almost unbroken record of inbreeding and indiscriminate mixing of varieties. Today Florida has about ninety-eight varieties of fruit. California has two. Of the millions of boxes shipped annually from Florida it is questionable whether one could find, outside of Howey groves, twenty-five carloads of pure strain Valencia oranges in any one season.

In seed reproduction every tendency of past generations is carried over into the new tree. The heterogeneous life history of all its progenitors is wrapped up in the tree that springs from seed. On the other hand, the horticulturist is able by putting buds from trees of high producing capacity into the root stock, to practically eliminate the chances of reversion to type and thus to make that tree produce the same quality and quantity of fruit as the tree from which the bud was taken.

It is the scientific selection of this budwood that marks the first step

in successful citrus culture. It is the only way in which a uniformly high quality product is assured. Budwood is super-selected at Howey-in-the-Hills from the best trees in the entire tract and the selection is so fine that only certain buds are utilized.

Out of his grove of 47 acres Dr. Inman made an average of $40,000 a year for eighteen consecutive years, reaching a maximum of $54,000 in his most fruitful season. He accomplished this remarkable result through scientific selection of his budwood. It was the dawn of a new day in Florida citrus production, and these same methods are in vogue at Howey-in-the-Hills today. Budding as practiced here develops a tree which is the counterpart of its immediate ancestor, with all the intensified ability of generations to yield prolific crops of sweet, fine-flavored fruit with an abundance of juice.

Only those varieties that have proven successful in the markets of the world are grown at Howey-in-the-Hills. Valencia oranges and Marsh Seedless grapefruit predominate. They come on the market late in the season, before the California Valencias have reached the market and when the nation's cupboard is practically bare of quality citrus. Howey plantings also include Hamlin oranges and Pernambuco grapefruit, both being early varieties.

Howey trees are "pedigreed" in every sense of the word. That is why Howey fruit may be expected to consistently top the markets where quality is paramount. Mr. Howey grows and selects his own nursery stock for the simple reason that his "baby" trees are in a sense a part of the raw material going to make up the finished product —which in this case is citrus fruit that will sell for a profit. The result is naturally a higher type, finer bred tree than is possible where nursery stock has no definite relation to fruit profits but which is grown chiefly to be sold and which may include stock budded from trees with a long line of inbreeding and mixing of varieties, an unprofitable record, or with some inherent family weakness which the grower has failed to stamp out.

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The By-Products

WE HAVE only to glance "back-stage" to discover that in many industries the by-products have exceeded the featured article of production in point of revenue.

Until recently little effort has been made to utilize the off-size, off-colored oranges and grapefruit that are held out in the packing house and up to the present time this off-grade fruit in most respects equal to the choicest in the pack except for size and skin blemishes, has been largely wasted. And in characteristic fashion Mr. Howey has proceeded to convert this off-grade product into profit. He erected a modern juice plant and installed the latest equipment to preserve these juices in their natural form. They retain all the tree ripened flavor, together with the vitamines and mineral salts so essential in the maintenance of health and in the treatment of disorders due to derangement in the body chemistry.

There are several fundamental advantages in this handling of fruit that is not marketable in any other form. First of all it means dollars to every Howey grove owner, for it provides a profitable outlet for fruit that was formerly wasted. Secondly, it enables the grower to grade his fresh fruit pack much closer. We pack only the finest oranges and grapefruit, thus accentuating our quality standards that command higher prices.

Another Howey by-product is the extraction of essential oils from orange and grapefruit peelings.

These by-products supply one more link in the forging of the complete citrus cycle and the assurance of maximum profits to the owners of Howey groves, where profits are a guaranteed fundamental.

"W. J. Howey has offered to put up $10,000 cash toward a statewide advertising fund. Now there's real faith in Florida. Who'll be the next?"—Miami Herald.

The Grove Sales Plan

HOWEY groves are sold on the basis of a definite return, in units to suit the purchaser. As an investment they may be expected to yield annuities much in the manner of life insurance, except that the annuities are paid during the lifetime of the owner, as well as for generations thereafter (see chart on following page). The purchase plan has back of it one of the most unusual guarantees ever offered an investor. This guarantee, in effect, is as follows: that the first eight commercial crops will yield an amount of money equal to the expense of purchase and preparation of the land; buying and planting of the trees; general maintenance of the grove in the way of cultivation; payment of taxes; cost of fertilizer, spraying materials, cover-crop seed, etc.; and in case the money derived from the sale of the fruit gathered from the grove (first eight commercial crops) does not meet the items mentioned, the development company will re-purchase the land and pay all expenses incurred, with interest at six per cent, less the amounts paid to the owner for fruit sold.

It is significant in connection with the guarantee that the development company agrees to care for the property with its own machinery and under its own system which is a proven success. It amounts almost to a bond to "make the grove owner make good." The purchaser of a Howey grove is not turned adrift on a sea of chance after he has put his money into the property. It is incumbent upon the caretaker, rather than the owner, to make the investment return a reasonable dividend.

The ownership of a Howey grove is comparable to the establishment of a trust, liquid as to principal, with the earnings underwritten by the application of the same relative laws of expectancy and predetermined assurance of income, as an insurance table built by an actuary.

"W. J. Howey is the dynamic force behind the conversion of thousands of acres of Florida wilderness into valuable and productive citrus land."—Clermont Press.

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How You Can Build

This Table of Estimates is Based on Twenty Years' Experience in

CUMULATIVE PERIOD

Taking into consideration the 13-year period, dividends are accumulating during the first five years at the rate of 23.09% per year. In addition a conservative estimate of increment in land value of grove is 20% each year.

TEN-ACRE UNIT	LAND AND TREES	GROVE CARE AND MAINTENANCE
At planting	$10,000.00	$400.00
		400.00
		400.00
		400.00
		550.00
Total Investment at End of 5th Year		

EARNING PERIOD

The net return on your investment during this period, as shown by the table, is 37.53% per year. However, over a period of 13 years dividends would be 23.09% per year.

During 6th year (1st Commercial Crop)*	$ 700.00
7th year (2nd Commercial Crop)	800.00
8th year (3rd Commercial Crop)	1,000.00
9th year (4th Commercial Crop)	1,200.00
10th year (5th Commercial Crop)	1,200.00
11th year (6th Commercial Crop)	1,200.00
12th year (7th Commercial Crop)	1,200.00
13th year (8th Commercial Crop)	1,200.00

Net Operating Profit from Sale of Fruit for Eight Years

Less Original Investment

Net Profit to Owner after Return of Original Investment

Less Interest Load During First Five Years as Above

Less Interest Load During Next Eight Years on Investment of

Final Net Profit to Owner After Return of Original Investment Plus All Grove is now approaching maturity and as shown above is earning $6,230.00

SUMMARIZED:

Your original investment is	$10,000.00
Plus:	
1. Taxes for five years	125.00
2. Grove care and maintenance	2,150.00
Investment at end of five years	$12,275.00
Note that we set up interest at the rate of 6% for the five-year period during which your grove is in the cumulative stage	$ 3,391.50
And that interest at the rate of 6% is set up for the producing period of eight years, used in this table	5,892.00

Your original investment is now on a yearly net income basis of $6,230.00 and $6,230.00 yearly return means that you have created an estate worth $100,000.

Figures in Italics in the table proper are receipts. Other figures are disbursements.

* Crops produced during the fourth and fifth years usually bring sufficient revenue to cover the cost of maintenance during these two years. However, these crops were

An Estate of $100,000

the Citrus Industry and is the Basis of the Howey Guarantee

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FRUIT RETURNS AT CONSERVATIVE ESTIMATES

TAXES	BOXES PER TREE	TOTAL BOXES	PRICE PER BOX	AMOUNTS	NET INCOME FROM SALE OF FRUIT	TOTAL INVESTMENT	6% INTEREST LOAD ANNUAL BASIS	TOTAL INTEREST FOR 5-YEAR PERIOD
$ 25.00	..	none	.....	none	.....	$10,425.00	$625.50	$3,127.50
25.00	..	none	.....	none	.....	425.00	25.50	102.00
25.00	..	none	.....	none	.....	425.00	25.50	76.50
25.00	..	none	.....	none	.....	425.00	25.50	51.00
25.00	..	none	.....	none	.....	575.00	34.50	34.50
						$12,275.00		$3,391.50
$ 25.00	2	960	$2.00	*$1,920.00*	*$1,195.00*			
75.00	4	1,920	2.00	*3,840.00*	*2,965.00*			
100.00	6	2,880	2.00	*5,760.00*	*4,660.00*			
125.00	8	3,840	2.00	*7,680.00*	*6,355.00*			
150.00	8	3,840	2.00	*7,680.00*	*6,330.00*			
200.00	8	3,840	2.00	*7,680.00*	*6,280.00*			
250.00	8	3,840	2.00	*7,680.00*	*6,230.00*			
250.00	8	3,840	2.00	*7,680.00*	*6,230.00*			

		$40,245.00
		$12,275.00
		$27,970.00
	$3,391.50	
$12,275.00	$5,892.00	9,283.50
Carrying Charges		*$18,686.50*

annually, thereby netting 6.23% on $100,000—the value of the investment.

Amount your original investment would have earned if put out at 6% over the 13-year period as set forth above	$ 9,283.50
This $9,283.50 representing interest you might have earned, is deducted from the operating profit of $40,245.00 to arrive at a net profit of	30,961.50
From this deduct the price of your grove (Including maintenance and taxes)	12,275.00
And we have	$18,686.50
Based on the above table of estimates, your grove at the end of 13 years is paid for, your taxes and maintenance charges are paid, you have been allowed $9,283.50 which your money could have earned at 6 per cent, and you have, in addition, in actual money profit	$18,686.50

not included, because in setting up these estimates, we gave consideration to the fact that fruit produced during this period rarely comes up to the Howey standards of quality for our trademarked shipments of fresh fruit. Furthermore, it is sometimes advisable to sacrifice the crop during the fourth and fifth years for the future and permanent good of the trees.

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The Investment

The three dominant factors to be considered in any investment are:

1. SAFETY
2. INCREMENT
3. INCOME

Let us apply these three paramount fundamentals to the Howey Grove Plan.

SAFETY—The Howey plan involves the outright sale of groves to the purchaser. Thus he becomes the owner, in fee simple, of land whose value is based solely upon its ability to produce revenues.

Then there is put around this grove all the efficiency of industrial organization, the system which insures the scientific planting of pedigreed stock, scientific cultivation under the supervision of recognized experts, and the marketing of the crop under an advertised trademark.

INCREMENT—Grove land increases in value until maturity because of its ability to show greater returns year after year. This increment is computed on the basis of $200 per acre from the first to about the fifteenth year when a citrus grove reaches full production and from that time on continues, decade after decade, at maximum production.

INCOME—On the preceding chart of estimates is shown an income infinitely better than practically any other form of safe investment, not excepting bonds. In thirteen years $12,275 invested in bonds would yield $9,574.50, as against $18,686.50 on ten acres of grove. In addition the returns from the grove pay back the original investment of $12,275, plus all carrying charges, and the investment has no maturity.

You are invited to personally inspect the Howey-in-the-Hills grove properties, where you will see the Howey plan in actual operation. Special trips are arranged for your convenience and a staff of experienced demonstrators will show you what is back of this unusual investment.

Howey IN THE Hills

Address all communications to
W. J. HOWEY CO.
Howey-in-the-Hills, Florida

"Much advantage is bound to result to Florida and her citrus growers from the Howey plan of marketing."—Tampa Times.